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TAKE THE PLUNGE INTO AUGMENTED REALITY

It's simple and well worth it. Here are four easy steps to make it happen. (Please note: The augmented reality piece is compatible only on the iPhone 3gs with IOS 4.3.3 and above, iPad2 and Android devices running 2.3.3 and higher). If you don't have one of these devices, you can watch video of the cover coming to life at delivermagazine.com/reality.

STEPS TO BRING *DELIVER*[®] TO LIFE:

1. Use your device to get to the app store. Find our app — deliverAR. Download our app. The AR piece will not work unless you have downloaded the app to your device.
2. Launch the app. After launch, the app will automatically open your device's camera.
3. Point your device's camera at the *Deliver* logo on the front of the magazine. Make sure you aren't too close to the cover image, or too far away. You want the cover image to be adequately framed by your device.
4. Steady the camera and hold it on the *Deliver* logo for a few seconds. Watch as the cover comes to life.

VISIONS OF A NEW REALITY

THIS COVER COULD CHANGE
THE WAY YOU SEE MAIL
HINT: SEE THE BACK COVER
FOR THE DETAILS



Welcome to our first issue of 2012. Last year saw the continuation of some monumental shifts in direct mail, so we at *Deliver*® are taking on 2012 with a heady mix of excitement and great expectation. Certainly marketers have plenty of reasons to be hopeful, a point underscored mightily in our look at the year to come (“The Future Is Now,” p. 14). For many, the marketing horizon has never seemed brighter.

Technology remains a key cause of much of that hope. And as we point out (“A New Reality,” p. 24), augmented reality is on the fast track to becoming one of the bright new stars in direct mail marketing. We’re certainly on board. Take a look at what we did with our cover.

Of course, AR is only one of the many new technologies that mailers are using. We’re testing several of them at the United States Postal Service® and will be offering details about their performance at the upcoming National Postal Forum in Orlando, April 1–4.

We’re also finding out that direct mail continues to prove itself superior to other channels in many respects. For instance, Professor Andrea Godfrey co-authored a study that found that mail endures as an ideal medium for steady contact with consumers (“What’s the Frequency?” p. 28).

But nobody celebrates mail quite like we do at the Postal Service,™ which is why we’re proud to present the winner of the 2011 ECHO USPS® Gold Mailbox Award (“Shear Brilliance,” p. 20). The winner, scissors maker Fiskars, bowled over audiences with a true “cutting-edge” campaign.

We’re proud of the hard work we’ve put into this issue and of the many great stories that have resulted. So dive in as soon as you can and get a jump on the great year to come.

Thomas J. Foti
Thomas J. Foti, Editor



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ROY RITCHIE

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ON THE COVER:
PHOTOGRAPHY BY
JOE VAUGHN



COVER PRINTED ON RECYCLED PAPER WITH 10% POSTCONSUMER WASTE. BODY PRINTED ON RECYCLED PAPER WITH 20% POSTCONSUMER WASTE.

DELIVERABLES

A BRIEF LOOK AT SOME BIG ISSUES
IN DIRECT MAIL

POSTINGS

INTEGRATION

Card, sharp

LAMINATED DYNAMICARD
MAILERS TAKE TRADITIONAL
POSTCARDS TO THE NEXT LEVEL

“Look, inside your mailbox! It’s a coupon, it’s a gift card! It’s ... Dynami-Card!” Homages to old superheroes aside, DynamiCard (dynamicard.com) represents a high-flying innovation in direct mail. The plastic cards with snap-out promotional gift cards meld VDP (variable data printing) personalization, high-resolution graphics, wet-look aesthetics and real-time analytics technology.

DynamiCard founder and CEO Ivan Farber says his gift card mailers can have a 400- to 500-percent response advantage over traditional postcards. As an example, the average restaurant client using DynamiCard mailers is seeing a 12-percent response rate. “This company is on track for about \$4 million in sales this year, and it’s only our third year in business,” Farber says proudly.

Its razzle-dazzle looks notwithstanding, the core of DynamiCard’s appeal is DynamiScan, the card’s barcoded analytics technology. “We send the client a DynamiScan scanner for each location,” Farber says. “When they scan the cards, it gives us a granular demographic breakdown about who used the promotional gift card, which offer they used, plus the response and spend rates for

“DynamiScan allows us to quickly and accurately profile that client’s most responsive customer, so we can dramatically improve the response rate.”



each individual demographic. This process is all done in real time and delivered on a web-based dashboard. DynamiScan allows us to quickly and accurately profile that client’s most responsive customer, so we can dramatically improve the response rate after just one mailing.”

Farber believes DynamiCard has a key advantage over online deal-of-the-day sites, coupon books and traditional paper postcards. “The challenge you have with those kinds of pieces is that your higher-end customers are usually a little self-conscious about using a (printed paper) coupon.

We are able to attract more than just deal seekers.”

The manufacturing process for a standard DynamiCard takes approximately five to seven business days from approval of proofs. Postage for standard 5 ½-by-4” cards mail at a Bulk Mail rate of about 27 cents, and a First-Class Mail® rate of about 38 cents.

YOU SHOULD KNOW

IN 2010, MORE THAN 48% OF ALL STANDARD MAIL® ADDRESSED TO SPECIFIC HOUSEHOLD MEMBERS WAS READ IMMEDIATELY. 39.6% OF STANDARD MAIL ADDRESSED TO “OCCUPANT/RESIDENT” WAS READ IMMEDIATELY.

USPS Household Diary Study FY 2010



BY THE NUMBERS

5.5 billion

Number of periodicals received by Americans via direct mail in 2010.¹

\$171 billion

Amount spent by American businesses on advertising in 2010. Of that total, 12% was spent on direct mail.¹

2.95%

The 2010 redemption rate for coupons sent via direct mail with a product sample included. The redemption rate for coupons sent without a sample was 2.28%.²

83.5 billion

The total volume of advertising mail in 2010.¹

14%

Portion of catalog purchasers who obtained their merchandise via mail.²

WAVEBREAK MEDIA, JUPITER IMAGES / ISTOR, JUPITER IMAGES

¹ USPS Household Diary Study: Mail Use & Attitudes in FY 2010
² DMA 2011 Statistical Fact Book

AFFORDABILITY

THE MILLION DOOR MARK

Taradel uses Postal Service™ program to develop mail solutions for thousands of small businesses

Print solutions company Taradel LLC has produced more than 1 million direct mail pieces for the Every Door Direct Mail™ program since March of 2011. Taradel leveraged the U.S. Postal Service® program — which identifies potential customers by geographic areas or specific distances from businesses — to offer turnkey print and mail solutions for its database of more than 20,000 small business owners.

For as low as 29 cents per home, Taradel offers a design, print and mail program using the Every Door Direct Mail service.

“The Postal Service has made it easy for small businesses to use direct mail,” says Taradel CEO Jim Fitzgerald. “Working with the Postal Service, we can bundle our print and creative services to offer an affordable solution to the small business community.”

PROSPECTING

Under 45 to Life

Insurance marketers are overlooking prime targets, study suggests

If you’re in the life insurance business, you may consider broadening the scope of your marketing. A recent survey conducted by Mintel Comperemedia suggests that Americans under the age of 45 don’t have enough life insurance.

Mintel’s research reveals that consumers between the ages of 31 and 45 received a 13-percent share of direct marketing mail volume for the first six months of 2011 — down from a 16-percent share for the same period in 2010. The 31-to-45 demographic is a prime target for life insurers, since this group is more likely to consist of families with children, breadwinners approaching their prime earning years and those beginning to care for aging parents. “Carriers are missing an opportunity,” says Mintel’s director of insurance consulting, Gary Wooley.



CRM

Maker's Marketing

Famed distillery uses multichannel campaign to recruit brand ambassadors

Demonstrating its mastery at nurturing whiskey and customers alike, the world famous Maker's Mark distillery has devised an ingenious campaign that enlists fans to promote the company's award-winning bourbon.

When a fan registers at makersmark.com to become a company "ambassador," the distillery engraves the customer's name on a plaque, which is then placed on a barrel of whiskey. During the ensuing six-year aging period, the registrant receives a variety of direct mail communications about their Maker's Mark barrel.

Ambassadors first receive branded business cards and a Maker's Mark manifesto. "The manifesto says you've got a responsibility as a Maker's Mark ambassador," says spokesman Todd Spencer. "We encourage them to share their love of Maker's Mark with friends and other people."

Weeks after receiving the manifesto, ambassadors receive a suitable-for-framing, 9.75" x 6.75" certificate recognizing their ambassadorship. A follow-up letter informs the ambassador that his/her barrel has officially gone into the warehouse.

Over the six-year aging period, Maker's mails its ambassadors all sorts of "surprises and delights," including branded holiday wrapping paper, gift bags, stickers and more. The company believes the expense of the free program is justified by customer retention and exuberant word-of-mouth. "It literally gives fans a sense of ownership in the brand

by inviting them to have their name put on a barrel of Maker's Mark," Spencer says.

"A lot of companies think that because we've got all these new digital tools, you don't have to do direct mail, but that goes against our grain. Because of the dimension of direct mail, the materials we're sending, and the importance of engagement, we feel that direct mail is really important to building a relationship and engaging our ambassadors properly."



CREATIVITY

Shape of Mail to Come

Survey finds high customer satisfaction in non-traditional, die-cut mailers

Don't be a square. Increase profits and ROI by giving your direct mail some curves. According to a recent customer survey conducted by ThinkShapes Mail of Tampa, Fla., businesses report a high customer satisfaction rating when they have used die-cut mailers in their direct mail marketing campaigns. Virtually anything you can think of — be it mailers in the shapes of basketballs, home plates, buses, guitars, or whatever — can be fabricated by die-cut printers like ThinkShapes.

ThinkShapes owners Karen and Jim O'Brien claim that shaped mail can increase the response rate over "regular" direct mail by at least two to three times. New Postal regulations that allow for custom-shaped mail in sizes as large as 12" x 15" to be delivered to mailboxes without envelopes have resulted in the shaped mail craze.

ThinkShapes Mail digitally prints every piece, so each mailer can be completely customized for the recipient. Marketers are free to vary any of the text, images and offers — they can even change the language — to make the piece more relevant. That can boost response rates even more.

ADVICE

Postal Postmortem



Why a marketing "autopsy" can help future campaigns enjoy healthy runs

Just as the stars of hit TV crime thrillers use forensic science to solve crimes, Ohio-based copywriter Dean Rieck advises clients to perform "autopsies" when direct mail campaigns fail. "It is like an autopsy," Rieck says of Postal forensics. "You have to take the dead mailer, examine it step by step, and see what went wrong." Rieck, whose experience

includes B-to-B and consumer copywriting for the legal, publishing, financial and software industries, offers the following tips: **Analyze the results:** Did you have a return or cancellation rate? What's the net profit? "Know what it is that you want to learn ahead of time, then crunch the numbers," Rieck says. **Double check basic elements:** Rieck recalls

a client whose mailer was perfect — except for faulty barcode striping, which resulted in zero response. "People get so caught up in testing and designs, they forget the basic stuff," Rieck says. "Is your ZIP Code™ right? Is the home page you're sending the customer to right? All it takes is proofreading." **Look for the "muleta":** A muleta is the cape bullfighters use to distract their bovine opponents.

Rieck says too many copywriters use gimmicky copy that distracts from the product or call-to-action. "You've got half a second to appeal to the customer," Rieck says. "You just can't afford to be too clever." **Enlist a pro:** Why spend a lot of cash developing a product and mailer, only to scrimp on copywriting? "Direct mail is a reading medium," Rieck says. "You sell with words. Spend the money and get somebody who can write direct mail"

LIFESIZE, JUPITER IMAGES

BRANDON LAUFENBERG / ISTOCK VECTORS, GETTY IMAGES

Talking Heads

Business pros share *SMART MARKETING SOLUTIONS*



Gloria J. Howell

Associate Broker, Agent, Gate City Real Estate, Pocatello, Idaho

In a slowly recovering housing market, Gate City Real Estate wanted to return to marketing basics. After a break from a long-running postcard campaign, Howell's team started regularly mailing photos of each home they sell to neighboring residents. "People recognize the house, since it's on their street," says Howell. "The postcard says, 'Your neighbor sold their home, and we helped.'" The campaign led to a bump in sales.



Nabil Mohamad

Vice president, American-Arab Anti-Discrimination Committee, Washington, D.C.

When the national nonprofit serving the American-Arab population promoted its November 2011 program, multichannel marketing was the tool. It wasn't long after the 10th anniversary of the Sept. 11 attacks and "Turaath: Celebrating Arab Culture in America" would be a hopeful contrast to the somber observance. "We mailed more than 2,000 invitations," says Mohamad. Nearly 1,200 guests turned out.



Ryan George

Owner, Biplane Productions, Lynchburg, Virginia

To support the pending online auction of a luxury log cabin in fall 2011, George designed an oversized brochure with a professional photograph of the home, listing the bid date. The mailing, which was distributed to 2,800 recipients whom the auctioneer had targeted with demographic criteria, led 90 prospective buyers to visit the property before the auction. Says George: "The sellers were convinced that the market value of the property would be achieved because of results from the marketing."



Locke Morgan

Manager, Four Seasons Pools & Spas, Poulsbo, Washington

Hoping to capitalize on customers' need for relief from summer 2011 heat, Four Seasons felt that a campaign was in order. "We bought a mailing list of households with pools located in our area, then we hit that list with three mailings of 2,000 cards from March to June," says Morgan. "From that, we were able to generate \$5,000 in additional revenue."



Looking for more? Check out our Talking Heads section. It's a collection of smart solutions from big thinking marketers — delivermagazine.com/talkingheads/.

The Internet: Made for Direct Mail

More than ever before, marketers need to seize on the natural symbiosis between direct mail and digital.

Perhaps you have noticed that the *Deliver*® magazine masthead includes the line “Mail marketing strategies from the U.S. Postal Service.®” Given that our mission is to promote the responsible and effective use of direct mail, some may wonder why we feature an increasing number of articles about — even urging — mixing direct mail with online marketing tools.

Simple. We are passionate not just about direct mail, but about what works best in direct mail. As this and past *Deliver* issues report, many direct mail professionals are using the Internet to enhance effectiveness. If dovetailing with the Internet makes direct mail even stronger, we would be remiss in failing to talk about it.

Moreover, the public has begun voting with their wallets for the integration of direct mail with the Internet, and history attests to the dangers of resisting market demand solely for the sake of purism. Consider the well-known coffee chain whose CEO refused to offer lattes made with nonfat milk. Italian baristas didn’t use nonfat milk, he reasoned, so neither would his. In time he capitulated, but only after losing customers. Today, nearly half of the lattes and cappuccinos the chain sells are made with nonfat milk.

So if customers reward you for folding the Internet into a direct mail strategy, our official position is: Go for it. In addition to a coupon, phone number and First-Class Mail® Business Reply Mail® card, consider providing direct mail recipients a link to a website or landing page. You could also up the ante with a personalized URL, so you can send readers to a landing page that mirrors your mailing and greets them by name.



Add a QR code, and without so much as entering a keystroke, the fast-growing smartphone crowd can immediately see your website, coupons, phone number, online video and more, and use the smartphone to respond.

There are other features you could add as well: augmented reality codes, snap codes and audio and video chips will each enhance your direct mail campaign. The spectrum of offerings is rapidly widening.

Of course, direct mail is the original interactive medium. No amount of on-screen personalization, animation or wow-factor can match direct mail for tangibility. The more online communication waxes ubiquitous, the more we anticipate that direct mail’s unique and personal nature will have the advantage in terms of involvement and persuasion.

Yet wise integration of online tools into a direct mail strategy is inclined to make direct mail stronger than ever. As the public embraces the digital world, it only makes sense for savvy direct mail professionals to capitalize on the trend.

VALERIE JUPITER IMAGES



THE FREE AGENTS

No one needs to be told that the workplace is changing. But a 2011 Kelly Services® study recently brought to light the speed, breadth and significance of that change. According to the research, 44 percent of all U.S. workers now classify themselves as “free agents” — independent professionals who move from project to project, location to location.

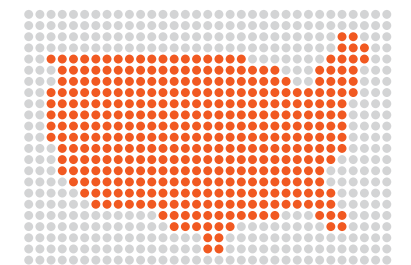
They’re freelancers, contractors, temporary employees and entrepreneurs. And as the traditional 9-to-5 job fades, the free agent ranks continue to swell. According to one report, the number of freelance workers is up 70 percent over the past three years.

As a result, free agents have become a coveted segment of the labor force. And to reach them, CMOs will likely have to be just as resilient, creative and versatile as the free agents themselves. — *Allan Nahajewski*

44%
of the current active workforce in the U.S. are free agents. Three years ago, it was only 26%.¹

“Opportunities to save money can effectively motivate free agents. Within each direct mail piece we create is a strong call to action that, if completed, presents customers with a coupon to use on a future purchase. We’ve found this to be a highly effective tactic that also greatly aligns with a free agent’s desire to be fiscally conservative.”²

1 Kelly Services: “Free Agents: How Knowledge Workers Are Redefining the Workplace” 2 Jaclyn Albrecht, Marketing Analyst, Mudd Advertising 3 Silent Generation: Workers born between 1935–1945; Baby Boomers: Workers born between 1946–1964; Generation X: Workers born between 1965–1979; Generation Y: Workers born between 1980–1992. 4 Jocelyn Lincoln, Vice President, Recruitment Operations, Americas Region, Kelly Services



WORK FOR ALL AGES

Free agency is on the rise among all generations, but the greatest proportion of workers who are free agents is among those over age 66.¹

66% of the Silent Generation³
49% of Baby Boomers³
38% of Generation X³
25% of Generation Y³

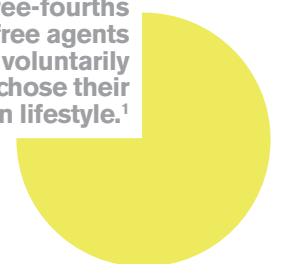
“One of the challenges that free agents face is how to market themselves effectively. The influx of new free agents represents an opportunity for marketers.”⁴

REASONS FOR CHOOSING FREE AGENT LIFESTYLE:¹

58% freedom, flexibility, opportunity
25% economic necessity
15% entrepreneurial benefits
2% unknown

38%
believe economic conditions have enhanced their opportunities to work as a free agent.¹

Nearly three-fourths (73%) voluntarily chose their own lifestyle.¹



“How has mail helped you diversify your customer base?”



S

VINCE NORTON

Managing Partner
Norton Norris Inc.

We diversify our customer base through conferences and trade shows. **And because one of our specialties is data-driven mail, we “practice what we preach” and send variable messages to conference attendees. The results have been very rewarding.** It’s great to staff a trade show booth and have potential new clients praise the postcard they received from us prior to attending the event. By leveraging the data on their registration form, we’ve been able to make a meaningful impression — and establish our firm as an innovative force in direct mail.



M

MARY KAY MUDD

Director of Mudd Academics
Mudd Advertising

No question, mail has played a key role in our agency’s growth over the years. **Our strategic mix of direct mail, traditional media and digital solutions has been enormously successful for our automotive clients. In fact, it inspired us to apply those strategies to other client categories.** What we found is that this same mix of traditional and digital marketing solutions has been similarly successful for a diverse group of clients that has grown to include the higher education and agricultural categories. Our approach to each of them is the same in the following respect: to develop targeted creative campaigns that deliver measurable results.



L

PAWAN J. MEHRA

Founder and Principal
Améredia

The best thing about mail is that it enables us to effectively target ethnic consumers in the most remote parts of the country that aren’t always accessible through traditional mass media channels. For example, our agency enables Comcast to acquire a diverse customer base nationwide through targeted direct mail campaigns. As a result, culturally relevant creative tailored to a specific segment is received by that group only, increasing the tactic’s effectiveness and the client’s customer acquisition goals within diverse markets. A smart, creative and efficient direct mail strategy absolutely helps us gain and diversify our client’s customer base.

PORTRAITS BY GLENN

The Right Tool for Prospecting

Large businesses discover an easier way to reach new customers.



David Mastervich is manager of catalogs and saturation mail at the U.S. Postal Service.

you’re a specialty retailer who needs to reach prospects in affluent areas around the country. You can target ZIP Code locations where your target audience exists — heck, you can even target specific neighborhoods. Our online tool prints out the paperwork for you, so all you do is put it in a Priority Mail® box along with your mail and a check for payment, and ship it to the Post Office™ that delivers to that area. You can reach a national audience without leaving your office.

Another market for Every Door Direct Mail is franchisors. One of the biggest issues that these companies face is helping their franchisees market their services. Show the franchisees how to use the tool, give them a template for mailers, and their marketing program is off and running.

The beauty of this program is that it makes it cost-effective to find new prospects for any size business, especially when using a printer or mail service provider.

There are plenty more ways to make Every Door Direct Mail work for your business — and we’d love to discuss them with you. Find out more about Every Door Direct Mail and take it for a test drive at usps.com/everydoordirectmail.

Once you see Every Door Direct Mail in action, I’m sure you’ll understand what a powerful and effective tool it can be for businesses of every size.

Since the U.S. Postal Service introduced Every Door Direct Mail™ last year, it’s been a hit among small businesses. And why not? Every Door Direct Mail lets businesses send mail to a designated area — ZIP Code,™ neighborhood or even a single carrier route — without having to compile names and addresses.

Small businesses such as pizza delivery shops, restaurants, retail stores and even lawn services have put Every Door Direct Mail to work to boost their customer base. But now large businesses have discovered just how simple and cost-effective this tool can be.

For example, we have some well-known fast-food restaurant chains using Every Door Direct Mail for stealth marketing. They’re testing offers in select regions before rolling them out nationally. Why? Well, it’s easy to see that mail is a highly efficient tool for this kind of marketing. For a very low cost, the program allows them to learn what works: No costs incurred to buy names and addresses or roll out a media plan — they can quickly put together an offer, mail it and see what happens. If it succeeds, they can consider using it nationally. If it doesn’t, well, lesson learned.

What else can Every Door Direct Mail do for large business? Well, imagine that

BENJAMIN RONDEL, WORKBOOK STOCK, GETTY IMAGES

THE ESSENTIALS:

Company: Anthem National Accounts, a business unit of WellPoint (Indianapolis, Ind.) **Agency:** Anderson Direct Marketing (andersondm.com) (Poway, Calif.) **Target Audience:** 718 health benefit consultants and brokers. **Goal:** Raise awareness of the company's expanding transparency tools and generate leads.

DM Vehicle: A box (5 X 5 X 25 inches) containing a letter, a brochure, a "menu" featuring transparency tools, and a Zagat restaurant guide; the components were wrapped in a fancy tablecloth. **Response:** 31.5% of recipients visited the PURL. Of those, 74.34% converted into a lead, producing an overall 23.4% lead rate.

Insurance provider Anthem turned to a dimensional mailer to win the minds — and palates — of key influencers.

// By Mindy Charski

The dimensional piece from health insurer Anthem arrived in a large opaque box, but ultimately, the food-themed campaign was all about transparency. The November 2010 mailer was designed to raise awareness of Anthem's expanding transparency tools: Four online, interactive tools to help members better understand their healthcare options by presenting procedure price comparisons and patient reviews of doctors.

The business unit responsible for the mailer, Anthem National Accounts, may be best known for targeting companies with more than 5,000 employees. However, this campaign wasn't directed at those prospects — but at 718 health benefit consultants and brokers who help those workers choose health insurance plans. "It is crucial that Anthem solidifies and nourishes these relationships," says Melissa Martinez, an account supervisor at Anderson Direct Marketing, which created the campaign.

Anthem wanted the piece to motivate recipients to visit a personalized URL (PURL) to learn more about the transparency tools, request to be contacted by the company, and sign up for a complimentary one-year membership to ZAGAT.com, the restaurant review site of the Zagat Survey Company. (Anthem has a partnership with Zagat

Survey, which maintains Anthem's doctor review tool called the Zagat Health Survey.) The mailer's premium is a Zagat guide called "America's Top Restaurants 2010."

The components of the package also fit into the "Feast of Features" theme. Included is a "menu" with bite-size nuggets about the four tools. More information is provided in a brochure and a personalized letter; sprinkled throughout both are food references and mentions of the PURL.

And binding all the pieces together is a white tablecloth.

"With this type of client, you want to be able to send the type of package that gets their attention," Martinez says.

Anthem officials say that the campaign drove response. Nearly a third of recipients were motivated to visit the microsite. Of those, 74.3 percent converted into a lead, producing an overall 23.4 percent lead rate.

Those taking the offer received an e-mail with an access code to Zagat's site and were contacted by an Anthem regional vice president. The insurer also sent an e-mail two weeks after the package arrived to those who didn't visit the microsite, or visited but didn't register for the offer or request information.

Nichole Goodhart, national marketing director of Anthem National Accounts, attributes the effort's success to a number of factors, including a hard-to-miss dimensional package and personalization. "The success of the campaign surpassed our expectations," Goodhart says.



A Clear Appeal

THE FUTURE IS NOW

Experts throughout the industry tell us what to expect for direct mail marketing in 2012.

BY BRUCE BRITT



TODD KEITH, GETTY IMAGES



Contrary to Mayan prophecy, we're betting the world won't come to an end in 2012.

So you can chuck plans for that everything-must-go Doomsday Sale and focus instead on budgeting for the new year. But while the apocalypse may be a no-show, a shaky economy and a series of U.S. elections should make marketing more exciting than usual in 2012 as businesses duke it out for the affections of a recession-dazed public. Hoping to get a clearer understanding of what to expect this year, *Deliver*® reached out to a wide range of marketing veterans, consultants and other experts to discuss the immediate future of direct mail and get their prognosis for the coming year. Many we interviewed believe direct mail could see some stiff challenges, but they also passionately contend that mail is essential to the multichannel mix. Many believe that mail is uniquely positioned to play a major role in a national economic resurgence in 2012.

Following a 2009 downturn, direct mail bounced back in 2010 and has sustained a feisty comeback. According to the Direct Marketers Association, direct mail expenditures in 2011 grew to just more than \$50 billion, a 4.6-percent increase. Barring any unforeseen economic catastrophes, mail is forecast to rise at least 3.6 percent annually until 2014. By comparison, a recent Winterberry Group report found decreases in ad expenditures for other traditional media including television, radio and newspapers.

Considering these and other indicators, it's no wonder that demographers like KGC Direct president Kenneth W. Gronbach are bullish on mail. "I think you're going to see the return of good, quality direct mail in 2012," Gronbach effuses. "There's so much new technology now. You can marry the mail piece to your digital channels. This could be the genesis of the 'new mail.'" (See sidebar, "Modern Mail," page 18.)

Mail, marketing and messaging

The multi-billion dollar question is, what industries will leverage Gronbach's so-called "new mail?" In recent years, credit card companies, insurance agencies and telecoms led the charge in direct mail spend, outpacing sectors like technology and travel. The trend should continue in 2012. In fact, says Mintel senior VP Andrew Davidson, direct mail credit card offers may actually surpass insurance offers, becoming the rising tide that lifts all boats. "Even if the other sectors remain relatively flat, direct mail should expand across [other] sectors next year," Davidson says.

With high-stakes elections on tap this year, expect politicians to wage war at the mailbox. Analysts at PQ Media predict political media spending will surpass \$5.6 billion — an increase of nearly 25 percent over the 2010 level, and 35 percent compared to the 2008 election year. "We're going to have significant amounts of campaign dollars devoted to fundraising and getting out the vote," says Jerry Cerasale, senior vice president of the Direct Marketing Association. "From the middle to near the end of the year, we should see direct mail volumes for political candidates becoming rather large."

On the retail side, experts are watching the automotive industry as U.S. car sales continue to rise. Gronbach also predicts "huge" growth in apparel company catalogs, as young adults begin seriously eyeing relationships and marriage. "The frontrunners of Gen Y are 26, 27 years old, and those are the years when you spend the most on plumage," Gronbach notes.

Such predictions are welcome messages for online retailers like Zappos, which are increasingly using their branded catalogs to support online operations. Zappos uses its biannual catalog to juice up customer service. "The catalog is a good vehicle to reach customers who might not be completely comfortable with ordering online," says Michael Fellner, e-mail marketing manager for the shoe and clothing retailer. "Having the option to call in and talk to a customer service rep, having him walk through placing the order — it's about reaching that segment of customers. That's the main goal of our direct mail efforts."

PHOTODISC, JUPITER IMAGES

It's the message

With marketers wooing a more frugal public, consumers can expect offers and messaging to become more competitive, continuing a trend from 2011. "In the credit card segment we're seeing maybe the best offers ever seen in terms of rewards, benefits and features that are provided along with the credit card itself," says Mintel's Davidson. He points out how one bank offered customers \$300 just to sign up for its credit card. Continues Davidson: "You're starting to see incentives so enticing that you might as well sign up for the card — regardless of if you're ever going to use it."

Such strong offers come even as studies suggest increasing skepticism among American consumers. For instance, according to a 2011 Corporate Trust Survey by GfK America, 64 percent of participants said it is harder for U.S. companies to gain their trust today than it was a few years ago.

Pepperdine University adjunct professor of marketing John Nolan believes businesses and others who use direct mail, such as politicians, might be more persuasive in 2012 if they play up their ethical bona fides in their direct mail messaging, like guaranteeing customer privacy or having a solid record of environmental activism or compliance. His suggestion is backed by reports such as one 2011 survey from Mintel that found that 72 percent of consumers of financial products said they feel good about working with financial services firms that invest in eco-friendly companies.

"As a business school professor, I am seeing erosion in the long-held belief that the primary responsibility of management is to increase shareholder value," Nolan says. "That credo is being replaced with a renewed sense that responsible corporate citizenship is vitally important to today's consumer. Utilizing recycled and biodegradable materials and employing that in your message should affect loyalty to your brand."

No-fail mail

Gronbach predicts that smart marketers in 2012 will leverage direct mail's traditional trustworthiness to help win over perhaps the most coveted demographic group of all, young

RENEE KEITH, GETTY IMAGES



“There’s so much new technology now,” explains noted demographer Kenneth Gronbach. “You can marry mail to your digital channels. This could be the genesis of the ‘new mail.’”



Modern Mail

Thanks to tremendous leaps in innovation, today's direct mail is as attractive, quick and interactive as any computer. Below are some ongoing marketing developments that should continue to make mail even more relevant to marketers in 2012.

Digi-mail: Texting and QR codes have made direct mail a physical adjunct to digital, allowing consumers to instantly access offers via their smartphones. "There was one online banking campaign where recipients were able to either scan the QR code or text a word to a number for an offer," says Mintel Comperemedia senior vice president Andrew Davidson. "That's a good example of integrating channels."

Odd-sized mailings: From dimensional and die-cut shaped mail to gleaming laminated coupon cards and DiscMail DVD packages, mail today offers a variety of impactful consumer experiences.

Cross purposing: Using transpromotional marketing techniques, businesses and utilities can transform must-read statements like bills, invoices and publications into promotional tools for other products and services. Or, you can even sell that ad space to third-party businesses. According to a FiServ report, a simple 5-percent increase in current member business can possibly equate to a 50-percent increase in profits when utilizing "transpromo" techniques.

Analytic converters: Today's direct mailers can feature encoded analytic technology. When the recipient redeems the offer, businesses get an invaluable demographic breakdown of consumer behaviors.

DIY mail shops: A growing number of self-service, cloud-based products like DirectMail.com™ and Marketfish take niche marketing to new heights, offering mailing lists that target every conceivable market (nonprofit charitable, back-to-school shoppers, parents of twins and triplets, etc). Other online DIY mail shops allow users to design, print and ship personalized mailers to prospects. "You now have the ability to drop in photos and entire blocks of text based on consumer data points," says Duct Tape Marketing president John Jantsch. "We've gone way beyond just putting somebody's name on an envelope."

Cloud systems: Companies including Harte-Hanks have devised software and cloud-based systems that allow direct mail marketers to track their own communications, from their induction into the mail stream to in-home delivery.



GLOW IMAGES INC., GLOW/GETTY IMAGES / RENEE KEITH/GETTY IMAGES

U.S. consumers. There are more than 100 million "Millennial" consumers (those born 1985 to 2004) in the United States and, according to research, they purchase at rates of about 500 percent more than their parents' generation (in adjusted dollars).

Ironically, when it comes to marketing, tech-oriented Millennials are also indifferent to mobile, social and other digital tactics. "You can't reach (kids) on their phones or Facebook, because those are not branding mediums," Gronbach says.

However, Millennials and other demographics are very receptive to direct mail. In fact, research indicates that direct mail actually optimizes a company's digital operations by serving as a sort of Pied Piper. A 2011 GI Insight study found that 53 percent of 18- to 24-year-olds had visited a website after receiving a promotional direct mail piece.

Another study conducted by Brand Science found that combining direct mail with other marketing activities increases campaign payback by up to 20 percent. "If you think about social and compare it to direct mail, the click-through rates on a lot of social ads tend to underperform," says Alex Feldman, manager of Global Forecasting for MagnaGlobal. "If you think about conversions, direct mail is much more successful. It has a dual function. There's that performance aspect, but there's also brand building."

Dave Scott, CEO of online lead list generator Marketfish, believes savvy marketers will opt to use more direct mail — blending it with technological innovations such as QR codes — instead of solely investing in oversaturated digital channels. "Banner ads were great when very few people were doing them, and everyone was getting a 15-percent click-through on the ads they were delivering," Scott says. "Now banners are so crowded that you're lucky if you get a 1-percent click-through rate. Some online advertising is going to cost you \$20 for the exact same click you could have bought for 20 cents five years ago."

Scott says overcrowded e-mail queues only add to the appeal of mail: "Even though direct mail seems old school,

it's really sexy for the marketer, the reason being that there's less clutter. So you get more effective impressions."

Now it's personal

OK, so a growing number of experts agree that direct mail excels at maximizing brand awareness and leading consumers to the digital waters. But how might marketers use mail in 2012 to persuade consumers to actually partake and purchase their products and services?


A 2011 study of African-American consumers conducted by the Hunter-Miller Group offers some clues. The research found that participants were more likely to open or read mail specifically addressed to the consumer (i.e., no impersonal "to our friends at ..." addressing). Study participants also favored envelopes and postcards featuring

an impactful message about new products or services that have specific benefit to the consumer.

"Especially with postcards, we are finding that people are most likely to pick it up and read both sides if it's personalized," says Pepper Miller, president of Hunter-Miller. "If there's something that the sender wants the recipient to know right away, sending a postcard is important. We found that consumers will read it and even hold on to it."

Miller's study affirms that direct mail circa 2012 is ultimately about smart messaging, personalization and relevance. "There's definitely a trend going on from broadcasting to narrow-

casting," says Dan Kohn, vice president of corporate marketing for mail solutions provider Pitney Bowes. "More and more, in every media, mail leads the way in moving toward more targeted, more personalized, and more tailored relationship building. That's something that we can do better now than ever."

Of course, this isn't news to Duct Tape Marketing president John Jantsch. A small business consultant and longtime direct mail advocate, Jantsch predicts that direct mail should definitely remain in your multi-channel mix. "With each passing year it gets cheaper and better to use direct mail," Jantsch says. "It's the one advertising medium that you really can control." 

☿
Says Alex Feldman: "If you think about conversions, direct mail has a dual function. There's that performance aspect, but also brand building."

S H E A R ✂ B R I L L I A N C E

BY EDDIE B. ALLEN JR.

Finnish scissors
maker Fiskars lands
an ECHO USPS®
Gold Mailbox Award
with a campaign
designed to
sharpen its image.



AND THE MAILBOX GOES TO:
Fiskars proved it was a cut above the rest when it mailed out coupons and a pair of Fiskars scissors — allowing its target audience to test the product's quality. Talk about a hands-on mailer.

HOPING TO CARVE ITSELF A LARGER SLICE OF THE GERMAN retail market, Finnish scissors manufacturer Fiskars fashioned a cutting-edge direct mail campaign.

Given that most hardware and home supply retailers have stocked so many scissors throughout the years that not even the special trade models are sold with much fanfare, Heye & Partner, the firm hired to promote Fiskars brand, took a different approach. Marketers at the company set out to push the brand as the “luxury sports car cutting tools.”

The result of Germany-based Heye’s efforts was a direct mail campaign that earned the ECHO USPS® Gold Mailbox Award for innovation and effectiveness. The award was presented at the 2011 ECHO Awards Gala during the Direct Marketing Association Annual Conference held in Boston in October 2011. The ECHO board of governors selected Heye’s fall 2010 mailing from a group of finalists.

“To be honest, it was not really a campaign,” says Heye creative director Thomas Winklbauer. “It was one mailing impulse.”

Following that impulse resulted in a huge win for the company. In what the company dubbed the “Scheren (German for ‘scissors’) Mailing,” Heye & Partner targeted purchasing managers and directors at top-selling German hardware stores. The mailing featured text, cut out letter by letter, that extolled the precision of Fiskars scissors. A redeemable coupon for more informational materials was included in the mailing, along with an enclosed pair of Fiskars to clip it out.

Fiskars reported a 19-percent increase in orders during the month that the cutout campaign was launched.

“Because of the limited budget, we had only one shot at the audience,” recalls Winklbauer. “So the difficulty was, how can we communicate this as simply as possible, but also in an unusual and remarkable way?”

Emphasizing the brand’s characteristics, Winklbauer and his team crafted the alphabetically illustrated message to harp on Fiskars’ ergonomically sound design and functionality. Says Winklbauer: “It is essential to promote the benefits of a brand that has limited awareness in the market.”

“We wanted to show that, with Fiskars scissors, even the most delicate jobs can be handled,” he says. “Therefore, all letters of the mailing were to be cut out. This way, the recipient can be convinced of the quality of the product, not only in reading, but also in a visual way.”

Heye sent a similar mailing to 100 “exclusive traders” (or vendors), expecting about a quarter of them to communicate their feedback.

“We expected 20 to 25 traders (to reply),” he says. “Instead, 53 responded.” During one month of the campaign, he adds, about 1,000 scissors more than average were ordered.

Heye & Partner’s success with the Fiskars cutout campaign shows that the public remains receptive to thoughtful use of traditional advertising media, says Winklbauer. “Print mailings are still relevant, especially if they are unique,” he adds. “Especially significant goods have a good chance in print direct advertising; for example, automobiles. Online and digital are used more and more to reach the masses directly, maybe as kind of a filter for targeting. To address individuals, print mailing is desirable.”


And just as the campaign impacted recipients, so did it impress the

ECHO Awards judges. Karen H. Ebben, a General Motors executive and chair of the ECHO board of governors that judged “Scheren Mailing” as the winner, stresses just how worthy the campaign is of the Gold Mailbox prize.

“The Fiskars campaign leveraged the benefits that mail delivers, but are not achievable via electronic means: engaging the sense of touch,” says Ebben. “Its innovation was linking Fiskars scissors to ‘cut-out’ graphics, which enabled the recipient to understand tangible product capabilities.

“All this, in addition to meeting the criteria of an ECHO Award — excellence in creative, strategy and results. At a time when many consider mail to be a tool of the past, the campaign clearly demonstrated how to embrace mail for its uniqueness.”

Marjorie Kalter, New York University clinical professor of marketing and vice chair of the ECHO Award board of governors, agrees: “The Fiskars campaign was awarded this recognition, first because its strategy was brilliant. Through the silhouette graphic design, the mailing showed the ultimate value of the product as a tool for utility and creativity. Second, it was a powerful execution of the strategy through the cut-out graphics. And third, its results were outstanding.”

Winklbauer says the Gold Mailbox win is proving to be an inspiration for Heye marketers in their ongoing push to stretch the boundaries of direct mail. “The success shows, once again, that there is room for creativity in every area of communication, and that creativity works,” says Winklbauer. “So this is a good motivation for us to try harder, especially on mailings. Some may think mail isn’t a good place for creative work. This mailing proves otherwise.” 

AWARD WINNERS:
Need a little inspiration for your next campaign? Take a look at some award winners in casino marketing at delivermagazine.com/casinos.



“... the campaign clearly demonstrated how to embrace mail for its uniqueness,” says Thomas Winklbauer.

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MANY FAMILIES THAT SKI

know Snowmass Village, just west of Aspen, Colo., as an undisputed slice of paradise. Crowds have flocked to the hamlet for years.

But earlier this year, even those in the know got to see Snowmass anew, courtesy of a clever marketing campaign that called upon a dazzling, but relatively new, technology as its centerpiece. The campaign's goal was simple enough: engage and entice young skiers and parents to participate in the 2011 Kids Ski Free Campaign. The campaign's execution, however, was anything but simple, thanks to The Myers Roberts Collective's decision to employ augmented reality.

In a nutshell, augmented reality — known as AR — works by projecting computer-generated data and three-dimensional graphics into the real world and allowing users to access the information, either through their cellphones or by holding printed postcards or other collateral materials up to a computer webcam. The computer essentially becomes consumers' eyes and their entrée into a multilayered, three-dimensional experience.



FIRST CAME QR CODES. NOW, AUGMENTED
REALITY LOOMS AS THE NEXT BIG THING
FOR DIRECT MAIL. BY NICHOLE CHRISTIAN
PHOTOGRAPHY BY JOE VAUGHN
AUGMENTED REALITY BY PICNIC

A NEW REALITY



For the Snowmass campaign, the slopes literally leapt to life from a printed postcard. About 25,000 mailers were sent to a target audience, each postcard featuring a special black and white patterned symbol, similar to the more commonplace QR codes.

To access the essence of the Snowmass AR campaign, users were directed to a special website and asked to hold the mailed postcard in front of the webcam. And with the symbol functioning as a key of sorts, relaying vital digital-recognition information much like facial recognition technology to the computer, a mix of video, sound and interactive 3-D animations instantly mesmerized viewers. Virtual skiers came alive along with a 3-D ski lift, all surrounded by the sounds of children laughing as they learned the ins and outs of skiing down the mountains.

“Snowmass has always been regarded as one of the top family ski resorts, year over year. It’s very family oriented and they do promotions through the year to highlight the value for families,” said Kevin Roberts, a co-founder and principal of The Myers Roberts Collective. “But this was a way to generate a wow factor around an existing promotion and to let people have a bit of the Snowmass experience using just a postcard and a webcam. It was fun.”

A 3-D BUSINESS TOOL

In truth, marketing experts and observers say augmented reality is much more than fun and games. It offers an entirely new avenue for direct mail, an eye-catching and meaningful way to ensure that mail continues as a mainstay in multichannel communications.

And marketers like those in Snowmass have begun embracing the technology and testing its potential. For example, one of the nation’s largest discount retailers recently sent out an AR mailer to promote its expanded grocery section. The mailer included a coupon for soda that, when peeled off, revealed an AR code printed on the mailer. Used with a webcam, the code activated a 3-D AR image of the retailers’ new grocery aisles, all stocked with fresh food.

In addition to this campaign, one global auto manufacturer has used AR to encourage virtual test drives of its vehicles. And a German toymaker has combined AR with its catalog to produce 3-D images of cars racing around tracks.

“Ultimately, we’re all out to extend the length of time a consumer is going to keep that printed piece with them,” says Art Calamari, vice president of strategic accounts for Taylor, one of the largest direct mail printers in the nation. “AR is the perfect tool because it gives consumers a real reason to hold on to printed pieces and to hopefully take the next step.”

Roberts offers an even more upbeat view: “AR takes a venerated medium in direct mail and jumps it further into the future. Whereas before printed pieces were static, the printed piece itself is suddenly a direct link into the digital media world. When a client realizes they can look at a piece of printed material and have it convey information in the same captivating way as a digital campaign, the potential is mindboggling.”

Think of AR, says Dennis Ryan, chief creative officer for Minneapolis ad agency Olson, as the perfect blend of old-school marketing with newfangled gadgetry. “The best advertising of

any type has surprise,” he explains. “AR is still an emerging media, but you can already see the potential it has to surprise by taking a two-dimensional experience like mail and embedding it with technology that engages viewers in ways they weren’t expecting.”

Of course, for direct marketers the real measure of relevance is always this: Can you track a campaign’s footprint among consumers? With AR, the answer is, by design, a resounding “Yes.” Wherever a barcode is embedded on a printed piece, it instantly opens the door to targeted tracking. Roberts routinely discusses with his clients, for example, the easy manner in which social media can be integrated from the printed piece, capturing consumers’ interest by monitoring how they share with others through e-mail, Facebook, Twitter, YouTube or any other social media outlet.

“From a design standpoint, we all love doing direct mail pieces,” says Roberts. “Now, with AR, there’s incredible real-time opportunity for clients to monitor and to adjust to consumer response and be very fluid doing so. Every time I click, you know I clicked — and the client can see it. They know what happened and that it originated from a printed piece of mail. It’s an enormous selling tool.”

**EXPANDING YOUR HORIZONS
AUGMENTED REALITY ENCOURAGES USER
INTERACTION. BUT A LOT OF PEOPLE STILL AREN'T
SOLD (OR SURE WHAT IT EVEN IS). OUR DEEPER
DIVE PIECE EXPLAINS THIS NEW TECHNOLOGY AND
USES STATISTICAL EVIDENCE TO PROVE ITS WORTH.
DELIVERMAGAZINE.COM/STRATEGY**

MAKING THE CASE FOR AUGMENTED REALITY

For the last year, Calamari, of Taylor, has been making that exact case for AR’s benefits to their clients, companies that include some of the largest healthcare and financial services companies in the country. He encountered the technology for the very first time just a year ago.

Calamari was so impressed he made an immediate decision to make AR the star attraction of the Taylor booth during the 2011 Direct Marketing Association convention in Boston. Visitors to the booth received a printed postcard and an invitation to visit a special website to unlock the encoded graphics and information. “From the postcard,” explains Calamari, “we were able to monitor people taking it back and showing others some of the possibilities.”

Calamari says Taylor has created direct mail postcard demos targeting AR’s potential for specific markets such as insurance agents. “We created an application featuring a postcard that an agent could send out showing his image and a neat little graphic that could change with information, like a billboard, each week using the same postcard,” said Calamari. “The selling point is again helping consumers hold on to that printed piece a little longer.”

Taylor created another demo using printed sports tickets. “We were able to show season ticketholders their seat in the stadium and the view it offered from different angles. When you can come up with something that makes sense and naturally drives consumers to take a next step, then AR sells itself.”

Another widely imagined use for the technology is among real estate agents and architects, sectors that routinely advertise via direct mail and even newspapers. “Using AR, it’s really not too hard to imagine getting a postcard in the mail for some vacant piece of land, then going out with your iPad or phone and seeing your dream house before it’s even built or a builder has been hired,” says Roberts. “If you can dream it, you can do it.”

While potential for AR’s impact on direct mail is clearly high, the costs can seem so too for some budget-conscious marketers. Creating the necessary three-dimensional renderings can cost upwards of \$10,000, according to Calamari. Design, video and sound must be factored in as well, depending on the campaign’s scope.

“You probably aren’t going to send out as many pieces, but in most cases consumers will spend more time with the piece,” says Calamari. “The complication comes in determining how much you need to spend to make your product look good. The further we can move beyond the cool factor, the more it can be justified and the more the costs will come down.”

A SLOW EMBRACE

Roberts says AR could use its own marketing campaign. As a prime example, he points to a recent worldwide AR convention that he attended in Silicon Valley this past spring. The crowd was paltry, compared to the thousands who attend the Direct Marketing Association convention. “The phase that AR is in right now is kind of like when e-mail and the Internet were just getting started,” he says. “It’s game-changing, but not everyone has quite caught on.”

The developers and technologists who know its virtues best, he says, are “grinding away in basements and labs trying to take it to the next level.” He adds, “The developers are putting all of their effort and attention into making it work. None of the people actually creating it are out marketing it, which creates this natural lapse in its growth in the marketplace.”

Robert argues that the missing message of AR is that it’s more than digital wizardry gone wild. “A lot of AR up until this point has been done just because it’s so cool and so new,” he says. “But now companies are realizing and experiencing the fact that it’s more of a tool of visual innovation than a fad.”

The challenge, says Olson Agency exec Ryan, is to continue demonstrating AR’s unique ability to engage consumers and to “extend mail’s



VIRTUAL SKI SLOPES:

Head over to nowareality.com/snowmass. Place the marker (opposite) in front of your webcam and enjoy an AR skiing experience. Long underwear isn’t necessary.

shelf life and make consumers feel bad for throwing it away,” especially in industries where print is still a viable channel — such as local restaurants, real estate, architecture and even car sales.

“A ton of education needs to happen, but it’s like any technology; you do it, then you get it. We just have to continue driving adoption in ways that make AR meaningful to the end consumer,” he says. “Brands have a real chance to go deeper with their product and to get people to open their mail.”

But, Ryan cautions, while AR may be enough to entice consumers, good old-fashioned marketing principles still trump technology: “Technology has empowered consumers to be incredibly selfish. They don’t have to bother, no matter how much effort has gone into a campaign. And that means that AR will not advance if the experience at the end isn’t remarkable. But if you can promise — and deliver — a remarkable experience, AR really does have a great chance to become mail’s next logical leap into the future.” ■

*Co-author of a new study of marketing communications, professor **Andrea Godfrey** explains why CMOs need to modulate their messaging — and introduce more mail into the mix.*

WHAT'S THE

FREQU | ENCY?

BY DENISE CRITTENDON
PHOTOGRAPHY BY
NOEL SPIRANDELLI



WHEN IT COMES TO CUSTOMER COMMUNICATIONS, PARTICULARLY IN THE AGE OF THE SEEMINGLY ENDLESS CHATTER OFFERED UP IN THE INTEGRATED MEDIA SPACE, IS ENOUGH EVER ENOUGH?

To answer that question — which puzzles marketers and plagues consumers — Andrea Godfrey, assistant professor of marketing in the School of Business Administration at the University of California, Riverside, spent 39 months working with two co-authors to analyze phone, mail and e-mail communication between an auto dealership and its customers. The result was “Enough Is Enough! The Fine Line in Executing Multichannel Relational Communication,” published in the July 2011 issue of *Journal of Marketing*.

Although the study cautions marketers not to oversaturate consumers with heaps of communication, it also made a discovery that even Godfrey admits was a surprise: Customers are willing to take on at least twice as many direct mail messages as they are communications through any other medium. Because of this, the authors suggest that companies not only keep mail as a key part of their communications arsenal — but that they consider boosting their mail spend.

Godfrey recently discussed her findings with *Deliver*.®

DELIVER: The age of digital communications has meant increased frequency of marketing messages to consumers. Generally speaking, what did your study find about heightened communications frequency?

ANDREA GODFREY: More and more, companies are trying to develop long-term, loyal relationships with their customers. Many of these companies believe that one way to build stronger customer relationships is to increase the amount of contact they have with those customers. That makes sense, of course, but our findings suggest that taking this “more is better” approach isn’t always beneficial for building customer relationships and, in fact, can actually drive customers away.

DELIVER: Interesting. And yet the study also discovered that customers will tolerate twice as much mail as e-mail contact. Why?

GODFREY: This finding was unexpected — but one explanation might be that consumers find it obtrusive when companies contact them by telephone or even by e-mail. On the other hand, when customers receive information by mail, they can sit and review the information when it’s convenient for them. As a result, customers might be more receptive to the information and more tolerant of being contacted more often by the companies they do business with if the communication is by mail.

DELIVER: So should CMOs boost their mail spend?

GODFREY: While it’s not accurate to say that mail is the single best communication approach for all companies, our findings suggest that mail should continue to be an important part of a company’s customer contact strategy. For certain types of companies or for particular types of messages, mail may actually be more effective than other communication channels at driving customer purchasing.

DELIVER: What are some of the other key highlights of this study?

GODFREY: One of the main takeaways of the study was that the ideal amount of communication tends to vary for different communication channels. As such, companies shouldn’t assume that the ideal number of contacts when using mail will be the same when using the phone or e-mail. Another highlight was the importance of matching the communication channel used with customers’ preferences. Using contact channels that a customer has a high preference for significantly boosts the effectiveness of the communication. This emphasizes the usefulness of collecting information on customer contact preferences.

As I mentioned earlier, the overall effectiveness of mail communication was one of the biggest surprises of the study. The other finding that was unexpected was that when multiple channels are used, this can exacerbate some customers’ negative reactions to receiving too much contact from a company. Although there isn’t a lot of research on this type of customer communication, prior findings

have suggested that using multiple communication channels creates synergies that have a positive effect on customer loyalty. Our findings go against that belief.

DELIVER: What are the detrimental effects of communicating using multiple channels?

GODFREY: When companies contact customers through multiple channels, there is a risk that customers may feel bombarded by the amount of communication they’re receiving. As a result, companies need to carefully manage the total amount of contacts they have with their customers across all of the various channels that make up their marketing communication strategy.

DELIVER: Is there an ideal communications frequency?

GODFREY: The specific number of contacts a company should have with a customer over a given period of time will vary from company to company. But one of the key takeaways from our study is that some communication is good, but more communication is not necessarily better. The ideal level lies somewhere in between, and companies should make an effort to examine customers’ responses to their communication campaigns to try and identify that optimal level. Otherwise, they risk wasting valuable marketing resources or, worse, driving customers away.

DELIVER: Does the ideal level of communication through one channel decrease as the volume in another channel increases?

GODFREY: Our findings indicate that as a company increases the amount of contact through one channel, the ideal level of contact through other channels tends to decrease. In other words, if a company increases the amount of contact it sends to customers by mail, it should likely decrease the amount of contact it sends to those customers by phone or e-mail. The overall story indicates that customers will be receptive to a total number of contacts across all channels.

DELIVER: When the ideal level of communication is exceeded, how do customers respond?

GODFREY: Once the ideal level of communication is reached, customers start to taper off spending, so companies will see diminishing returns on investment. As marketing communication increases beyond that ideal level, customers may actually become angered and stop spending with the company all together. ■

TUNING IN:

When it comes to your customers’ needs, more isn’t necessarily better. Direct mail gives customers ample time to digest the product, and won’t leave the target feeling bombarded.



PITCH PLAYS

COMPETING FOR THE HEISMAN TROPHY ISN'T EASY FOR ANY COLLEGE FOOTBALL PLAYER. THAT'S WHY UNIVERSITIES ENLIST DIRECT MAIL TO RUN INTERFERENCE.

BY EDDIE B. ALLEN JR.



RONALD MARTINEZ, GETTY IMAGES; SPORT, GETTY IMAGES

It's the competition behind the competition.

Over the years, the annual race for the Heisman Memorial Trophy — awarded to the player widely regarded as college football's best — has sometimes been accompanied by promotional blitzes that seem to rival the rollout of a new product or opening of a new venue. From alluring swag to impassioned letters, college campaigns for Heisman candidates have often pushed college gridiron greats with the same zeal, creativity and marketing savvy as any great product push, with many schools calling direct mail's number to lead the way.

While there's no publicly acknowledged connection between clever marketing strategies on



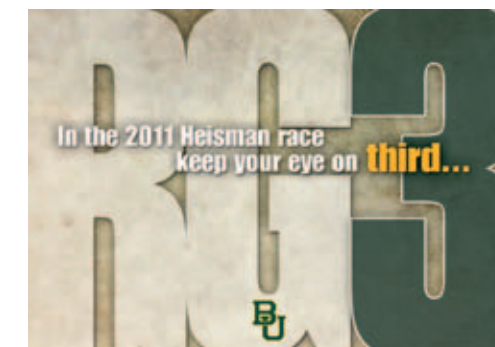
behalf of athletes and the final decision made by judges, communications staff at universities sometimes go just as hard to sway public opinion as the players go at opponents on the turf. In years past, schools have sent out binoculars, bobblehead dolls, music videos and even envelopes containing a single leaf.

Last season saw its own share of creative overtures, as direct mail campaigns played a role in the Heisman candidacy of several top players — most notably the Heisman Trophy winner, Baylor University quarterback Robert Griffin III.

Between July and the award voting deadline in December, Baylor mailed thousands of trading cards featuring Griffin to Heisman voters, the media and others. The cards featured five assorted designs and illustrations, including one with a close-up photo of the back of the quarterback's jersey, which reads "Griffin III." The flip



SPORTS MAILERS: Discover how direct mail has played an integral role in sports marketing with our interactive gallery at delivermagazine.com/sports.



side of each card carried the catch line "In the 2011 Heisman race keep your eye on third."

"I don't think big, flamboyant marketing campaigns win individual awards like this, and if Robert's jersey said 'Alabama' or 'Michigan' or 'USC' across the chest, I don't know that we would have done much campaigning at all," explains Baylor assistant athletic director Heath Nielsen, an architect of the campaign. "But at a smaller school like Baylor, we felt the need to keep pushing his name, subtly."

Naturally, Nielsen is quick to point out that Griffin, considered a long shot for the trophy before the season began, earned the award by way of several outstanding on-field performances. But he adds that the mailings didn't hurt: "Robert won the Heisman through his play and his teammates' play, but I credit these mailings as being key to keeping his name on the forefront of voters' and media members' minds."

Nielsen says the mailers earned positive reaction from their targets. "We heard from several voters and media," he says. "They said they loved the cards."

The Baylor push wasn't the only noteworthy

Heisman marketing effort, however. Another was "PersaStrong," Northwestern University's campaign for quarterback Dan Persa. To symbolize Persa's strength, Northwestern communications officials concocted a mailer that included two purple, seven-pound dumbbells — representing one of the school's colors and the quarterback's jersey number.

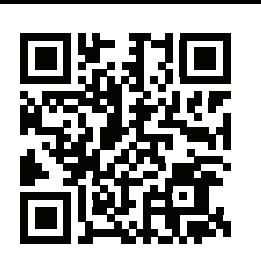
They also packed pitch letters into the boxes and had them delivered to 80 prominent college sports journalists, says Michael J. Wolf, assistant athletic director for communications at Northwestern. The letter included a link to the PersaStrong.com website, where journalists found video of the player in action on the field, plus photos and stats.

Although Persa ultimately wasn't nominated for the trophy (partly because he got hurt after the promotion began), "PersaStrong" got tremendous buzz. Moreover, the school, along with Baylor, became the latest additions to a long-running marketing tradition that draws on the power of mail. Says Wolf: "We wanted to create a gimmick that would get people talking, and the mailings definitely did that." **E**

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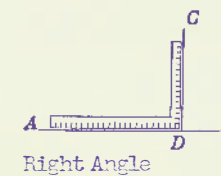
MARKETING IS EASY < LAST WORD

CHAPTER 1 – QUIZ

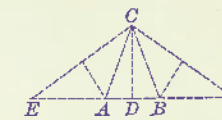
1. For each of the following terms in the first column, choose the definition in the second column that most closely describes it:

- | | |
|--------------------------|----------------------|
| a. Target Marketing | Trust Your Wisdom |
| b. Market Research | Trust Your Gut |
| c. Quantitative Analysis | Trust Your Instincts |
| d. Strategic Partner | Trust No One |

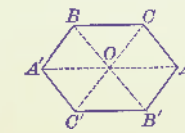
2. Which of the following geometric shapes best indicates the reason you should use mail when planning your advertising and marketing campaign?



Right Angle



Isosceles Triangle



Hexagon



Obtuse Angle

3. The following statements represent key steps in the marketing process. Put them in the proper order if your goal is to create a new campaign:

- Determine budget amount
- Select appropriate channels to reach your target audience

- Weep openly and pray for the death of your adversaries
- Assess results and agree to change the objectives to match
- Panic and start over with new campaign

4. Story problem: Pete is the marketing director for a company that needs to create a higher level of awareness for its new product. Pauline is the account executive for an advertising firm that must sell 650,000 worthless widgets. If Pete's campaign leaves Chicago at 2 p.m. on Wednesday traveling east at the speed of word of mouth, and Pauline's campaign launches from New York City at 3 p.m. Tuesday heading west at half that rate, which campaign will reach residents of Cleveland first? (You must show your work.)

5. Complete the following statement by filling in the spaces using the words listed below:

The key to marketing is to _____ the consumer with creative _____ that inspire emotions and _____, resulting in a purchase decision that _____ your product.

- | | |
|---------------|-------------|
| a. omniscient | c. destroy |
| b. capable | d. mediocre |

EXTRA CREDIT:

Three parallel lines in a plane are intersected by a fourth line, forming 12 angles. If one of the angles has a measure of 28 degrees, how many of the other 11 angles have a measure of 28 degrees?

